



JAMES A. NOYES, Director

# COUNTY OF LOS ANGELES

## DEPARTMENT OF PUBLIC WORKS

*"To Enrich Lives Through Effective and Caring Service"*

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April 29, 2004

IN REPLY PLEASE

REFER TO FILE: **AE-3**

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**JOB ORDER CONTRACT FOR  
REPAIR AND REHABILITATION OF COUNTY FACILITIES  
AWARD CONTRACT  
SPECS. VARIOUS  
ALL SUPERVISORIAL DISTRICTS  
3 VOTES**

**JOINT RECOMMENDATION WITH THE CHIEF ADMINISTRATIVE OFFICER THAT  
YOUR BOARD:**

1. Award a Job Order Contract to Mackone Development, Inc., for a one-year contract period for a maximum cost of \$3 million to be financed from the Federal and State Disaster Aid Budget or appropriate capital/refurbishment projects' budget.
2. Authorize the Director of Public Works to prepare and execute the JOC in the form previously approved by County Counsel and establish the effective date following receipt of approved Faithful Performance and Labor and Materials Bonds filed by the contractor.
3. Authorize the Director of Public Works to execute work orders not to exceed the maximum amount of the contract.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

We are recommending that your Board award a JOC to Mackone Development, Inc., the apparent lowest responsive and responsible bidder, for repair and refurbishment of County facilities for a maximum not to exceed fee of \$3 million for a one-year contract.

The JOC is a flexible, cost-effective unit price contracting technique to accomplish repair and refurbishment of County facilities without extensive plans and specifications. This relatively simple and straightforward process reduces administrative requirements and lowers direct construction costs, while meeting all Federal, State, and County procurement requirements.

We are currently administering four active JOCs and their capacity is fully allocated. This JOC will provide additional capacity for capital projects. In addition, on March 30, 2004, your Board adopted the Job Order Contract Unit Price Book and Specifications and instructed the Executive Officer to advertise for bids to be received for two separate JOCs on April 27 and May 5, 2004. These JOCs are also necessary to maintain sufficient capacity and help expedite, as the need arises, capital and earthquake repair projects.

Public Contract Code Section 20128.5 allows individual JOCs to have a one-year term and a maximum value of \$3 million.

We will report activity on the JOC to your Board quarterly along with our regular report on delegated contracting activity.

### **Implementation of Strategic Plan Goals**

These actions meet the County's Strategic Plan Goals of Service Excellence and Organizational Effectiveness as this construction contract will improve public facilities and restore them fully into service sooner than with traditional construction contracting.

### **FISCAL IMPACT/FINANCING**

The recommended construction contract with Mackone Development, Inc., is \$3 million. There is no anticipated additional fiscal impact to the County as a result of this action. No work will be assigned to this JOC without the Chief Administrative Office's prior review and approval.

The contract will be administered by Public Works. Repair or refurbishment work will be financed through the appropriate Public Works fund or capital/refurbishment project budget.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

A standard contract, in the form previously approved by County Counsel, will be used. The standard Board-directed clauses for contract terminations, renegotiations, and hiring qualified displaced County employees will be included.

The project specifications also contain provisions requiring the contractor to report solicitations of improper consideration by County employees and allowing the County to terminate the contract if it is found that the contractor offered or gave improper consideration to County employees.

As requested by your Board on August 12, 1997, and as a threshold requirement for consideration for contract award, Mackone Development, Inc., is willing to consider Greater Avenues for Independence Program/General Relief Opportunity for Work participants for future employment.

Mackone Development, Inc., as required on all publicly funded projects in excess of \$1,000, will be required to pay prevailing State wage rates to all persons employed on the JOC.

As required by your Board, language has been incorporated into the project specifications stating that the contractor shall notify their employees, and shall require each subcontractor to notify its employees, about Board Policy 5.135, the Safely Surrendered Baby Law, and that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws.

Mackone Development, Inc., is in full compliance with Los Angeles County Code Chapter 2.200 (Child Support Compliance Program) and Chapter 2.203 (Contractor Employee Jury Service Program).

### **ENVIRONMENTAL DOCUMENTATION**

The implementation of each work order under this JOC shall be subject to prior determination and documentation by Public Works that the work order is categorically exempt from the California Environmental Quality Act. In the event the work order is not exempt, your Board will be requested to approve the appropriate environmental finding

and documentation prior to implementation. Federally funded work orders shall be subject to an environmental determination by the appropriate federal agencies.

### **CONTRACTING PROCESS**

On October 21, 2003, your Board adopted the JOC Unit Price Book and Specifications for the repair and refurbishment of County facilities and instructed the Executive Officer to advertise for bids. Four competitive bids were received on December 2, 2003. Bidders were required to submit a set of cost adjustment factors that would be applied to the unit prices for work in the JOC Unit Price Book. The bid was determined by calculating a composite factor using a predetermined and advertised formula. Mackone Development, Inc., was the apparent lowest responsive and responsible bidder meeting the criteria adopted by your Board. The JOC Unit Price Book and the contractor's adjustment factors will be incorporated in the awarded contract. The bid results are summarized in Enclosure A.

Mackone Development, Inc.'s, three-year contracting history is on file with Public Works.

To ensure the contract is awarded to a responsible contractor with a satisfactory performance history, bidders were required to report violations of the False Claims Act, their civil litigation history, and information regarding prior criminal convictions. The information reported by Mackone Development, Inc., was considered before making this recommendation to approve execution of the contract.

As requested by your Board on February 3, 1998, this JOC opportunity was listed on the "Doing Business with Us" website. A copy of the website posting is included as Enclosure B for your reference.

Public Works has evaluated and determined that the Living Wage Program (County Code Chapter 2.201) does not apply to the recommended contract as this contract is for non-Proposition A services.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The use of this contract will expedite the completion of repair or refurbishment work managed by Public Works. Minor impacts to tenant departments may occur while repair or refurbishment work is underway.

The Honorable Board of Supervisors  
April 29, 2004  
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**CONCLUSION**

Please return one adopted copy of this letter to the Chief Administrative Office and Public Works.

Respectfully submitted,

JAMES A. NOYES  
Director of Public Works

DAVID E. JANSSEN  
Chief Administrative Officer

CN:bs

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cc: County Counsel  
Department of Public Social Services (GAIN/GROW Program)  
Office of Affirmative Action Compliance

April 29, 2004

**ENCLOSURE A**

**JOB ORDER CONTRACT FOR  
REPAIR AND REHABILITATION OF COUNTY FACILITIES  
AWARD CONTRACT  
SPECS. VARIOUS**

**Bid Opening Date:** December 2, 2003

**Bid Summary:**

<u>Bidder</u>	<u>Total Composite Factor</u>
1. Mackone Development, Inc.	.8830
2. New Creation Builders	.9035
3. All Cities Enterprises	.9530
4. MTM Construction, Inc.	.9545